GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:3872
ANSWERED ON:08.12.2016
Target for Production of Coal
Adityanath Shri Yogi;Tanwar Shri Kanwar Singh

Will the Minister of COAL be pleased to state:

(a) the target fixed for production of coal by Coal India Limited (CIL) during the current fiscal;
(b) whether the imported coal is cheaper than the domestic coal being produced in the country;
(c) if so, the details thereof along with the difference in quality of imported coal, grade-wise; and
(d) the details of the foreign exchange earned by CIL from export along with the coal export target fixed during the current fiscal?

Answer

GOVERNMENT OF INDIA
MINISTRY OF COAL
LOK SABHA
UNSTARRED QUESTION No. 3872
TO BE ANSWERED ON 08/12/2016

Target for Production of Coal

3872. SHRI YOGI ADITYA NATH:
SHRI KANWAR SINGH TANWAR:

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(d) the details of the foreign exchange earned by CIL from export along with the coal export target fixed during the current fiscal?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR COAL, POWER, NEW & RENEWABLE ENERGY AND MINES

(SHRI PIYUSH GOYAL)

(a): As per Annual Plan 2016-17 of Ministry of Coal,) the target of coal production of Coal India Limited (CIL) was fixed at 598.61 Million Tonne during the current fiscal i.e. 2016-17.
(b)&(c): By and large, domestic coal from CIL is cheaper than imported coal. The domestic coal of CIL is mostly available in various grades ranging from G-2 (GCV 7000 KCal/Kg & basic price of Rs.3450/Tonne) to G-12 (GCV 3700 KCal/Kg & basic price of Rs.760/Tonne). As gathered from secondary sources, by and large, coal of GCV 5000 KCal/Kg is imported from Indonesia and GCV 6000 KCal/Kg is imported from S. Africa. The imported coal has lower ash content, mostly not exceeding 15%, as compared to indigenous coal having larger ash content even exceeding 40%.
Presently, as gathered from secondary sources, Argus & PT Coalindo (FOB Kalimanthan) FOB index price for Indonesian coal of GCV 5000 Kcal/Kg is 73.30 US $/Tonne (Rs.5033/Tonne at present exchange rate of Rs.68.66/US $) and Argus McCloskey (FOB Richards Bay) FOB index price for South African coal of GCV 6000 Kcal/Kg is 85.17 US $/Tonne (Rs.5848/Tonne at present exchange rate of Rs.68.66/US $). However, the landed price of coal varies from location to location in view of additional costs towards transportation and statutory levies. Whenever price of imported coal declines, imported coal tend to become cheaper than domestic coal at coastal locations.

(d): Coal has been traditionally exported to neighbouring countries i.e. Bhutan, Nepal and Bangladesh as part of honouring bilateral trade requests from these countries in rupee terms. However, quantity wise exports from CIL has been negligible. For the current fiscal, no target has been fixed for export of coal from CIL.

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